

~~CONFIDENTIAL~~  
~~SECRET~~

CENTRAL INTELLIGENCE AGENCY

OFFICE OF NATIONAL ESTIMATES

23 March 1951

MEMORANDUM

TO: Mr. Cline

SUBJECT: Possible NIE on the European Satellite Power Complex  
(Planning Project No. 5)

1. Suggested statement of the Problem and Terms of Reference attached.

2. This NIE might well consist of a short and generalized estimate, with factual and statistical appendixes. If we are to avoid producing a miniature NIS, the main emphasis must be placed upon changes which have recently occurred in the elements of Satellite power, and upon the significance of these changes as pointing to developments during the next eighteen months. The Terms of Reference have been drawn with this in mind.

3. Should the project be approved in the form here proposed, it might be made clear to the contributing agencies that the Terms of Reference do not represent an outline of the paper to be written, but an indication of the information and subsidiary estimates which will be consolidated by ONE into whatever form seems most useful.

25X1X7

25X1X7

4. Attention is called to [REDACTED]

(Top Secret; 5 February 1951), which contains some of the military data called for in this problem.

25X1A9a

ABBOT SMITH  
Chairman, Task Team

DOCUMENT NO. \_\_\_\_\_

NO CHANGE IN CLASS. 1

(1) DECLASSIFIED

CLASS. CHANGED TO: TS 9 (C) 1991

NEXT REVIEW DATE: \_\_\_\_\_

AUTH: HR 70-2

DATE: 16 May 81 REVIEWER: 6514

~~SECRET~~

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

CENTRAL INTELLIGENCE AGENCY

OFFICE OF NATIONAL ESTIMATES

23 March 1951

SUBJECT: TERMS OF REFERENCE: NIE 33: THE EUROPEAN SATELLITE POWER COMPLEX (First Draft)

THE PROBLEM

To estimate the strengths and weaknesses of the European Satellites, both individually and collectively, and their contribution to the power of the USSR, at the present time and through the year 1952.

QUESTIONS BEARING ON THE PROBLEM

PART I: INDIVIDUAL SATELLITE COUNTRIES (Albania, Bulgaria, Czechoslovakia, GDR, Hungary, Poland, Rumania)

I. WHAT ARE THE MILITARY STRENGTHS AND WEAKNESSES OF EACH COUNTRY?

A. What is the current strength of the armed forces, including trained reserves and security forces?

1. What change does this represent since 1 January 1950?

~~CONFIDENTIAL~~

~~SECRET~~

2. What changes are likely to occur through 1952?
- B. What is the current status of equipment?
  1. What change does this represent since 1 January 1950?
  2. What changes are likely to occur through 1952?
- C. What is the current status of training and political reliability?
  1. What changes does this represent since 1 January 1950?
  2. What changes are likely to occur through 1952?
- D. What is the status of Soviet control and direction?
  1. Have Soviet officers been integrated into the armed forces, and at what level? Are Soviet "advisors" attached, and what is their function?
  2. What developments are likely to occur through 1952?
- E. What is the present and probable future degree of efficiency and dependability of the armed forces, and their capabilities for:
  1. Internal security?
  2. Defensive action?
  3. Offensive action?
- F. Does the country's military program indicate an intention to achieve war readiness by an early date?

~~SECRET~~

~~SECRET~~

II. WHAT ARE THE ECONOMIC STRENGTHS AND WEAKNESSES OF EACH COUNTRY?

- A. What changes have occurred in the structure of the economy since the beginning of 1950? What further changes are expected by the end of 1952? What economic strengths and weaknesses arise out of these changes?
- B. What changes in industrial capacity and in the level of industrial and agricultural production have occurred in the major segments of the economy since January 1950? What are the expected trends through 1952?
- C. What is the capacity of the natural and human resources of the country for industrial development? What are the major limitations and bottlenecks in the development of the economy?
- D. What proportion of the country's economic effort is devoted to:
  - 1. Uncompensated deliveries to the USSR?
  - 2. Military purposes?
  - 3. Capital investment?(This should be analyzed in relation to the national budget, national income, and the allocation of labor, equipment and materials.) What effect has this

~~SECRET~~

allocation of effort had upon the strength of the economy?

- E. Which products now constitute, or will through 1952 constitute, particularly valuable contributions to the requirements of the Soviet bloc, for peace or for war?
- F. What are the present trends in living and working conditions? Have these conditions created serious popular dissatisfaction or unrest?
- G. What was the geographical and commodity pattern of the country's foreign trade in 1950? What is it likely to be during the next two years? Which import requirements for peace and for war can be procured from within the Soviet bloc? Which critical items must be obtained from non-Soviet-bloc countries?
- H. How vulnerable is the country's economy to (a) economic warfare (overt and covert) and (b) bombing?
- I. Does the country's economic program indicate with any definiteness an intention to achieve war readiness by an early date, perhaps at the expense of a more balanced, long-term, development?

III. WHAT ARE THE POLITICAL STRENGTHS AND WEAKNESSES OF EACH COUNTRY?

A. Is the regime stable?

1. What degree of popular support does the regime enjoy?
2. To what extent does it depend upon police methods?
3. To what extent does it depend upon Soviet support, direct or indirect (e.g., threat of Soviet intervention)?

B. Is the regime loyal to the USSR?

1. What has been the significance of various purges since the establishment of the regime?
2. Are any of the present leaders likely to attempt to resist increasing Soviet pressure?
3. How firmly established is the control of the leadership over the membership of the Communist Party?
4. Does the country have strong traditional national objectives which would, if pursued, be contrary to the objectives of the USSR?
5. Are any developments likely through 1952 which might alter or strain the relationship of the regime to the USSR?

C. Is popular discontent likely to weaken the regime or limit its flexibility in pursuing its own or Soviet objectives?

1. In what elements of the population is discontent centered?
2. Is it sufficient to prevent or hinder achievement of internal objectives of the regime?
3. What steps are being taken to cope with this problem?
4. Would popular discontent be sufficient to prevent or deter participation in a military venture?

## PART II: THE SATELLITES AS A COLLECTIVE UNIT

### I. HOW EFFECTIVE ARE THE SATELLITES AS A COLLECTIVE MILITARY INSTRUMENT?

- A. To what degree has the USSR succeeded in directing the organization of the various Satellite forces and coordinating them?
- B. If the forces are not now effectively coordinated, is their command structure such that coordination could be readily accomplished?

~~SECRET~~

- C. Has equipment been so standardized that logistical support would not present a major problem?
- D. Have Satellite armed forces been politically conditioned to operate as a unified force?
- E. What is the nature and estimated capability of the reported inter-Satellite organized guerrilla force?
- F. What major problems would the USSR face in attempting to use Satellite forces collectively?

II. TO WHAT EXTENT HAVE THE SATELLITE ECONOMIES BEEN INTEGRATED?

- A. How effective has CEMA become in directing and integrating the Satellite economies? What will be the probable extent of such integration by the end of 1952?
- B. To what extent has the USSR reoriented the pattern of economic activities of the Satellite states for the strategic and economic benefit of the USSR? (e.g., by industrial specialization and division of labor among the Satellite states -- concentration on industries of value to the USSR -- preparation of Satellite railroads and airfields for Soviet use in war.)



~~CONFIDENTIAL~~

## CONFIDENTIAL

- C. To what extent are the resources and facilities of the Satellite states of value to the USSR? (e.g., use of Satellite gold and foreign exchange resources, import of Satellite products, possible use of Satellite airfields, railroads, ports, storage facilities etc., in war)
- D. To what extent are the Satellites (as a bloc) dependent in peace and war on imports from the West? On imports from the USSR? To what extent are non-Soviet countries dependent on imports from the Satellites?

### III. IS THE POLITICAL ACTION OF THE SATELLITES EFFECTIVELY UNIFIED?

- A. Is the Cominform effective as an organization for common political action? Has it effectively subdued national rivalries among the Satellites?
- B. What significant mutual antagonisms or conflicting interests exist among the Satellites? Do these constitute an important difficulty for the USSR?
- C. Have Soviet efforts to integrate Eastern Germany into the orbit been successful?

- 8 -

CONFIDENTIAL